MINUTES FOR THE REGULAR MEETING CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD Docket No. 5445

1. Opening of Meeting:

The Appeals Board convened at Noon, July 15, 2004, in Oxnard, with Chair Cynthia K. Thornton presiding.

2.	Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
	Cynthia K. Thornton, Chair	Х	
	Jack Cox	Χ	
	Don L. Novey	x (via phone)	
	Virginia Strom-Martin	X	•
	Steve Maviglio	X	
	Ann Richardson	X	

3. Approval of the Minutes:

The minutes of the June Board meeting were approved, with an amendment to show that Members Richardson and Maviglio were not in attendance because they were on vacation.

4. Chair's Report:

Chair Cynthia Thornton reported that she and Executive Director/Chief ALJ Arcellana met with Secretary Bradshaw, now officially appointed to her position by the Governor, regarding out-of-state travel. Given budget concerns, out-of-state travel will be severely restricted in the new fiscal year.

Chair Thornton noted that the term of Miller Medearis has now expired, and the Governor's Office notified him that he would not be reappointed. Chair Thornton expressed the Board's appreciation for Mr. Medearis' service and work, stating that Mr. Medearis was very devoted to the Board, its work, and its employees.

5. Board Member Reports:

Each of the Board Members expressed their disappointment that Mr. Medearis was no longer on the Board.

Member Maviglio reported that he visited the Inglewood Office of Appeals with Chair Thornton and Executive Director/Chief ALJ Arcellana.

6. Chief Administrative Law Judge/Executive Director's Report:

Executive Director/Chief ALJ Arcellana thanked Mr. Medearis for his work and contributions on behalf of the Field.

Executive Director/Chief ALJ Arcellana reported that California was awarded the year 2006 conference at the NAUIAB conference last month. One of our own judges, Angela Bullard is the out-going president this year, and did a great job during her term.

Executive Director/Chief ALJ Arcellana stated that he was pleased to announce the hiring of 17 new ALJs and 34 new support staff. In contrast to this, the Attorney General's Office has given notice that it will be laying off approximately 130 DAGs, and a corresponding number of support staff due to budget constraints.

7. Branch Reports:

a. Executive Director/Chief ALJ Arcellana announced that Lou Sotelo has been selected as the new PALJ in the Fresno Office of Appeals, replacing Betsy Temple who resigned, effective July 19, 2004.

Executive Director/Chief ALJ Arcellana reported that 262 decisions were mailed yesterday in the Grocery trade dispute being handled by PALJ Gil Knipe. Agency has commended the Board for its handling of this large trade dispute, and Executive Director/Chief ALJ Arcellana agrees that such commendation is well-deserved.

The Disability Branch of EDD has asked for a meeting with Board staff to discuss their desire to substitute almost all personal hearing appearances with declarations, due to budget constraints. Another alternative that may be considered is phone appearances.

Executive Director/Chief ALJ Arcellana reported a total of 294,712 cases verified in FY 2003/04, representing a 5% increase over the prior year. The current open balance of cases is approximately 50,000. Although this is a very high backlog, it appears that the workload has peaked. This, in addition to the new hires previously discussed, should allow us to catch up on the workload sometime this year. When that is achieved, the Agency plans to reduce the ALJs' workload.

- b. Deputy Chief ALJ Julie Krebs reported there were 19,044 registrations for FY 2003/04, a 6% increase over the prior fiscal year, and 18,441 dispositions, a 7% increase over FY 2003/04.
- c. Deputy Director Pam Boston, Administrative Services Branch, is on vacation, and Executive Director/Chief ALJ Arcellana stated he had nothing to report for her

Branch, except to reflect upon the fact that it was just six months ago that our staff was threatened with layoffs.

d. Deputy Director Mary Walton-Simons, Planning and Program Management Branch, stated that she was pleased to announce the appointments of Anissa Gracia to the MST Tax Program position and Mae Serneo to the SSA DI Program position effective June 30, 2004. Anissa is from the Orange County Office of Appeals, and Mae is from the San Diego Office of Appeals. The MST position is the bridging classification for upward advancement of our clerical staff, giving them the opportunity to go into the professional classifications of civil service.

Deputy Director Mary Walton-Simons also reported that Lois Mannix, with the assistance and guidance of ALJ II Randy Petersen, has completed a training package for PALJs.

8. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported that board members decided over 1100 cases last month, and the on-going litigation count is 111 cases. There were four new cases filed in June, and five cases were closed.

Chief Counsel Ralph Hilton reported on a court case that raises the issue of whether or not an employer writ of mandate challenging a status benefit decision violates the anti-injunction statute. This is a very important issue for EDD, as it could have a significant impact upon their tax assessments. Chief Counsel Ralph Hilton will report on the decision of the court in this important case.

9. New Business

No new business.

10. Public Comment:

Oxnard Office of Appeals LSS II John Zinto thanked the Board for bringing its monthly meeting to the Oxnard Office, stating that it gives the office staff an opportunity to meet with the Board Members and management staff, and to have some first-hand exposure to the workings of the Board.

11. Closed Session:

The regularly scheduled Board meeting adjourned, and the Board entered into closed session. No votes were taken on any matters in closed session.